

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1490-01
Bill No.: HB 669
Subject: Education, Elementary and Secondary: Charter Districts
Type: Original
Date: February 12, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(\$197,535)	(\$221,364)	(\$226,967)
Total Estimated Net Effect on <u>All</u> State Funds	(\$197,535)	(\$221,364)	(\$226,967)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** assume they would need additional staff to review waiver district charters. An additional Director (\$67,322), Supervisor (\$49,515) and Program Specialist II (\$31,262) would be necessary. DESE officials assume there would be some administrative impact to local public school districts electing to become a waiver district. The **Oversight Division** assumes the waiver districts could use existing school district resources in becoming a waiver district.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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GENERAL REVENUE FUND

Cost-Department of Elementary and Secondary Education (DESE)

Personal Services (3 FTE)	(\$126,452)	(\$155,598)	(\$159,488)
Fringe Benefits	(\$42,146)	(\$51,861)	(\$53,157)
Expense and Equipment	(\$28,937)	(\$13,905)	(\$14,322)
Total <u>Cost-DESE</u>	<u>(\$197,535)</u>	<u>(\$221,364)</u>	<u>(\$226,967)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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	\$0	\$0	\$0
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

A charter school in a waiver school district could be operated anywhere in the state.

Any fully accredited school district in the state could, upon majority vote of the school board, declare itself a waiver district for the school year. A "waiver district" would be a school district which operates under the laws applicable to charter schools, in lieu of operating under the laws and rules which generally apply to all school districts. They would be subject to charter school laws.

DESCRIPTION (Continued)

Waiver districts would apply to the State Board of Education for charter approval. The State Board of Education would review each waiver district charter in the same manner as it reviews other charters.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. The proposal would not affect Total State Revenue.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education



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Director
February 12, 2001